Tab F

BZA APPEAL NO. 14866
TESTIMONY OF JERRY S. GOREN

Good morning, ladies and gentlemen of the Board. My name
is Jerry S. Goren of the Embassy Inn located at 1627 16th Street,
N.W. The Embassy Inn is owned by Windem Associates, a D.C. Limited
Partnership, of which I am a General Partner. You may recall that
I appeared before you last week in the hearing on the Windsor Inn.
I will try not to be overly repetitive, although the facts are
quite similar.

Prior to purchasing the inn and rooming house, we contacted
the previous owner, Mr. Arthur Dadian. Mr. Dadian, who is now
deceased, lived at 1846 16th Street, and owned and operated the
Windsor Inn and Embassy Inn, first as hotels and later as lodging
houses, since the 1940's. Due to illness in the family, he was
forced to close the doors to active use in the early 1960's. In a
conversation with Mr. Dadian regarding our intended use of the
inns, he informed me that he always intended to reopen the doors,
and he understood that was permissible under the Zoning
Regulations.

Contrary to the allegations of the Appellants, there was no
evidence of any discontinuance or conversion to apartment house.
As in the case of the Windsor Inn, as the photographs will show,
the appearance of the interior was the same as it must have been
when the doors were closed in 1962. The beds were in the rooms,
the linens in the closets and the front desk was ready to be
reopened. We did a good deal of renovation of the lobby area, but

when we first opened the doors in 1985 prior to the purchase, the Embassy looked as though it could have reopened right then and there. The photos attest to this fact.

Also prior to purchase, we retained the law firm of Wilkes, Artis, Hedrick & Lane in order to satisfy and resolve any zoning issues as may arise. On our behalf, my attorneys met with the previous Zoning Administrator, Mr. James Fahey, during the spring and summer of 1985, and discussed the long-standing use of the inn. Mr. Fahey was provided with information on the inn including the letters and photos which you have in your booklet. Subsequently, Mr. Fahey informed us that we would be approved to open as an inn pursuant to a Certificate of Occupancy for inn use. Relying upon the positive indications from the Zoning Administrator, we purchased the Embassy for $670,000, as shown on the information provided by my accountant. Had it not been for the positive feedback from the Zoning Administrator, we would not have purchased the inns.

We have operated the Inn since July, 1987 after doing approximately 2 years of restoration and renovation. The costs involved in the restoration of the inn exceeded $1,000,000, as shown on the accountant's statement.

We were notified of the instant appeal when a copy of the pleading was delivered to the Embassy Inn in August, 1988. Prior to that time, we operated the Inn without any adverse notice.

I understand that one of the bases for this appeal is the tax category which Mr. Dadian was placed in during his tenure. Mr. Dadian apparently claimed a tax status to which he was not

entitled. As in the case of the Windsor Inn, I am neither responsible nor accountable for the tax practices of the prior owner. I certainly had no knowledge nor reason to inquire into his tax practices. Windem Associates pays taxes on the use of the Embassy as an inn, and I offer no further explanation for the prior tax practices of Mr. Dadian.

With regard to the assertions of the use codes as found in the unofficial Lusk publications, in my limited experience in D.C. real estate, I have found Lusk to be unreliable.

As for the indication on the Certificate of Occupancy application of the prior use as being an apartment house, that designation is contrary to the actual facts as previously confirmed by the Zoning Administrator on the pre-occupancy data sheet. The fact that an employee of my architect mistakenly filled out a form after the time of the Zoning Administrator's confirmation does not automatically convert the use from one type to another.

Thank you. I will be happy to answer your questions.